CUMBERLAND COUNTY BOARD OF COMMISSIONERS MARCH 17, 2003, 6:00PM SPECIAL MEETING

PRESENT: Chairman Talmage S. Baggett, Jr.

Vice Chairman Jeannette Council Commissioner Breeden Blackwell Commissioner Kenneth Edge Commissioner John Henley Commissioner Billy R. King Commissioner J. Lee Warren, Jr. James Martin, County Manager

Juanita Pilgrim, Deputy County Manager Cliff Spiller, Asst. County Manager Amy Cannon, Asst. County Manager Grainger Barrett, County Attorney Marsha Fogle, Clerk to the Board

Chairman Baggett called the meeting to order and announced that the purpose of the special meeting is to provide an opportunity for the Mayors of the Municipalities in Cumberland County to comment regarding the sales tax allocation method.

SPEAKERS:

Mayor Marshall Pitts, City of Fayetteville

Mayor Pitts reviewed a slide show with the board entitled "Protect your Economic Engines". He noted the positive things that are happening as a result of cooperation between the city and the county, i.e., agreement to work together to form a recreation authority, the fact that the city has lived up to its 10 year plan with regards to extension of water/sewer. In addition he noted that City water and sewer rates are the same outside the city limits as they are inside the city limits, which is not the usual case, as most cities charge double the rate. He noted some hurdles in cooperation efforts as follows: lack of information; lack of response to proposals, resistance to urban sustainability measures. The Mayor also noted the City is "irked" with the county's description of its annexation as "aggressive". He said the problem is "stagnant growth" in the entire county. He said by working together some of these issues could be managed. The Mayor noted that changing the sales tax formula allocation will greatly adversely affect their ability to provide services.

2. Mayor Ethel Clark - Town of Spring Lake

Mayor Clark noted that a change in the allocation of sales tax could affect the relationship between the county and its municipalities. She suggested this issue be forwarded to the Comprehensive Planning Committee for study.

3. Mayor Edwin Deaver – Town of Hope Mills

Mayor Deaver said the Town of Hope Mills is not involved in aggressive annexation. He suggested an issue of concern has been the lack of information. He noted the only information Hope Mills has received about the sales tax allocation change was what was in the paper this past Sunday. He asked the Board to make the right decision for the benefit of everyone concerned.

4. Mayor Huell Aekins – Town of Wade

Mayor Aekins noted concern that the Commissioners may take some of Wade's sales tax. He noted the good relationship Wade shares with the County. He said he hoped any action would not affect the sewer project in their area.

5. Mayor Billy Horne – Town of Stedman

Mayor Horne asked that the Board delay action on the sales tax allocation issue until it is studied some more. He suggested that the Board approve the recommendation of the Comprehensive Study Committee regarding reimbursement to the county of sales tax lost as a result of annexations.

Commissioner Henley noted that municipal influence areas was the first major issue that he had to deal with when he first came on the Board of Commissioners. He said he had been told by Jimmy Teal and Roy Taylor that an urban services agreement would be sufficient and the MIA was not a critical piece of the urban services area

agreement. He disagreed with the Mayor of Fayetteville who had suggested that the county had a windfall, i.e. hotel/motel tax, prepared meals tax, and sales tax, which weren't shared with the city. Commissioner Henley noted that a very large portion of the hotel/motel tax goes for tourism development which directly benefits the City of Fayetteville. He also noted that as the city annexes the school system loses money which affects all children in the county. He said the losses keep adding up affecting the county's ability to fund the schools, human services, libraries and everrising Medicaid costs.

Mayor Deaver inquired if the Board could move the sales tax item up on its agenda for the 7:00PM meeting.

MOTION: Commissioner Warren moved to move item #5 up to item #3 on the

agenda.

SECOND: Commissioner Henley

VOTE: UNANIMOUS

MEETING ADJOURNED: 6:55PM.